

# DOCUMENT FILE

## NOTE

SEE 865.5151/120 FOR Despatch #935

FROM Italy (Long) DATED Jan. 28, 1935

TO NAME 1-1127

REGARDING: Exchange- Libia. Decrees of December 8th regulating foreign exchange transactions have been extended to Libia under Royal Decree- Laws Nos. 2173 of December 26th and 3 of January 17th and decrees of Finance Minister dated January 3 and 22, 1935.

ROME, January 28, 1935.

No. 935.

Subject: Foreign Exchange Regulations.

The Honorable

The Secretary of State,

Washington.

Sir:

With reference to the Embassy's despatch No. 861 of December 14, 1934, transmitting the December 8th decrees regulating foreign exchange transactions, I have the honor to inform the Department that these measures, which in the original decrees apply only to Italy and the Italian possessions, have been extended to Libia as well, under Royal Decree-Laws No. 2173 of December 26, 1934, and No. 3 of January 17, 1935, and decrees of the Finance Minister dated January 3 and 22, 1935. The regulations governing transfer of means of payment derived from exports (page 7 of enclosure to

the

the above-mentioned despatch) are not to apply to caravan trade with Egypt and the territories of southern Libia.

I also have the honor to submit herewith a translation from the CORRIERE DELLA SERA of instructions issued by the Finance Minister in connection with the December 8th decrees.

Respectfully yours,

Breckinridge Long.

Enclosure: Translation.

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Enclosure No. 1 to Despatch No. 935 of January 28, 1935,  
from the Embassy at Rome.

CORRIERE DELLA SERA, Milan,  
January 27, 1935.

(Translation)

The Finance Ministry has circulated the following  
information with regard to the December 8th decrees:

1. Banks not authorized by the decrees to handle exchange transactions may accept foreign bills and documents for collection. The purpose of this concession is to facilitate the foreign transactions of merchants or industrialists whose business is conducted in places where there are no branches of the authorized banks. These unauthorized banks must report the transaction on the same day to the nearest branch of the Bank of Italy.
2. Unauthorized banks may also discount foreign bills. They may not, however, open credits toward foreign countries or release foreign exchange against foreign acceptances.
3. Unauthorized banks may not receive new deposits in foreign exchange on behalf of foreign or Italian citizens.
4. Unauthorized banks may permit withdrawals of exchange from funds held by Italians or foreigners permanently residing abroad, merely notifying the Bank of Italy, while for deposits in foreign exchange held by Italians not residing in Italy they must request permission from the Bank of Italy, which will be granted against presentation of proper documents.
5. Unauthorized banks may in exceptional cases sell foreign securities for the account of Italians residing in Italy; the transaction must, however, be made through the Bank of Italy, which will pay the corresponding value in lire.
6. The obligatory declaration of any variations in foreign credit positions subsequent to December 8th extends to all Italian citizens as well as to companies, banks, bankers, or legal entities. No declaration of variation, however, is necessary in the case of credits resulting from exports.
7. It is confirmed that there is no objection to the utilization by private persons of foreign credits that have been declared. As to sales of securities, it is pointed out that the proceeds therefrom are a credit which must be declared.

8. Life annuities and rents coming from abroad need not be declared as potential credits but are subject to declaration on the date when they actually mature. However, when the holder of such income intends to transfer the foreign exchange into lire, he may omit the declaration at the time he effects the transfer at the Exchange Institute.

Finally, the Economy and Finance Agency states that insurance policies stipulated in lire or foreign currencies with foreign companies must be declared at the time they are redeemed or at the time the holder in any way transforms his policy into funds abroad.

# DOCUMENT FILE

## NOTE

SEE 665e.003/11 FOR Report

FROM Tripoli ( Walker ) DATED Oct.20,1936  
TO NAME 1-1127 \*\*\*

REGARDING: Foreign exchange and import restrictions in Libya -  
Submitting regulations concerning -

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8650.5151/2

Central File: Decimal File 865C.5151, Internal Affairs Of States, Financial Conditions. Budget. Dept. Bond Issues. Loans. Public Securities. Credits., Monetary System. Coinage. Currency. Mint. Bullion., Libya, Exchange., Jan. 28, 1935 - Oct. 20, 1936. January 28, 1935 - October 20, 1936. MS European Colonialism in the Early 20th Century. National Archives (United States). Archives Unbound, link. [link.gale.com%2Fapps%2Fdoc%2FSC5109726424%2FGDSC%3Fu%3Domni%26sid%3Dbookmark-GDSC](https://link.gale.com%2Fapps%2Fdoc%2FSC5109726424%2FGDSC%3Fu%3Domni%26sid%3Dbookmark-GDSC). Accessed 18 June 2025.